

# Business Guide for Iraq

U.S. Department of Commerce

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U.S. Department of Commerce

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*This business guide is updated periodically to reflect the current situation in Iraq*

## I. INTRODUCTION

This guide reports on the considerable progress and opportunities for trade and investment in Iraq's reconstruction. The U.S. Government, including the U.S. Department of Commerce, continues to work with Coalition partners, international organizations, and the business community to facilitate economic recovery through reconstruction contracts, private investment and other business. General information on Iraq can be found on the CIA website at [www.cia.gov/cia/publications/factbook/geos/iz.html](http://www.cia.gov/cia/publications/factbook/geos/iz.html).

## II. RECONSTRUCTION CONTRACTS

U.S. Government-funded contracts, as outlined in this guide, continue to be the leading business opportunities in Iraq. Opportunities for U.S. firms to participate in the reconstruction of Iraq are mostly associated with rehabilitating the country's infrastructure. A convenient list of all recent contracts and their known subcontractors can be found at [http://www.export.gov/iraq/market\\_ops/contracts.html](http://www.export.gov/iraq/market_ops/contracts.html).

Contracting opportunities can be found through six main tendering organizations, discussed below. These are the Coalition Provisional Authority, the Program Management Office, the U.S. Agency for International Development, the U.S. Army Corps of Engineers, Iraqi Ministries, and international organizations such as the United Nations and the World Bank.

### Coalition Provisional Authority

The Coalition Provisional Authority (CPA - <http://www.iraqcoalition.org/>) in Iraq continuously issues new solicitations, occasionally with short deadlines, funded through the Development Fund for Iraq ([http://www.iraqcoalition.org/budget/DFI\\_intro1.html](http://www.iraqcoalition.org/budget/DFI_intro1.html)). To view the latest Requests for Proposals, visit the CPA's Solicitations webpage (<http://www.iraqcoalition.org/business/index.html>). For information on approved funding and potential future contracts, refer to the minutes of the CPA Program Review Board ([http://www.iraqcoalition.org/budget/program\\_review\\_board.html](http://www.iraqcoalition.org/budget/program_review_board.html)). All CPA solicitations under \$500,000 will be awarded to Iraqi companies only. Contracts offered through the CPA are primarily small-scale supply contracts. Items requested include office equipment, construction supplies, small military hardware, and computer software and hardware. The CPA maintains listings of Iraqi private sector programs, Iraqi banks, and other services from its Business Opportunities in Iraq webpage ([http://www.iraqcoalition.org/business\\_center.html](http://www.iraqcoalition.org/business_center.html)).

**Program Management Office (PMO)**

The Iraq Program Management Office (PMO) manages the \$18.4 billion appropriated by the U.S. Congress to support the reconstruction of Iraqi infrastructure. In broadest terms, this office is responsible for all activities associated with program, project, asset, construction and financial management of that portion of the reconstruction effort undertaken by the U.S. The PMO maintains a website (<http://www.rebuilding-iraq.net/>) where contracting activities are reported.

All PMO solicitations, amendments and awards are posted on the PMO website (<http://www.rebuilding-iraq.net/>) as well as the Federal Business Opportunities website (<http://www.fedbizopps.gov/>). View the PowerPoint presentations from the PMO website to find valuable information. The Pentagon Renovation Program office, which issued the seven management solicitations, posts helpful information on it's own website (<http://renovation.pentagon.mil/IIRO/IIRO.htm>).

Companies from 63 Coalition and troop-contributing countries were eligible to compete as prime contractors on the first round of U.S.-funded PMO contracts. Please see the Defense Department statement for country listings ([http://www.rebuilding-iraq.net/pdf/D\\_F.pdf](http://www.rebuilding-iraq.net/pdf/D_F.pdf)). However, for current solicitations, companies from non-terrorist designated countries may be eligible to compete for prime contracts. Each solicitation is subject to the soliciting agency's eligibility requirements. Under PMO over 20 Iraqi companies have sub-contacts totaling \$32.5 million employing more than 6,500 Iraqis at 38 project sites nationwide.

Contractors are hired to provide the program management, both on an overall scale, as well as in each of the construction sectors. The sectors are oil, electricity, public works & water, security & justice, transportation & communications, and buildings, education & health. Other contractors are assigned work within those sectors to perform the construction tasks.

Overall, \$12.6 billion will be spent towards construction over the next few years. Building infrastructure is far more than construction, however, and so \$5.8 billion will be spent on providing equipment, supplies and material to help support the entire realm of the infrastructure. Computers are needed to monitor and control electrical and water systems; vehicles are needed to transport materials or to support system maintenance; uniforms and supplies are needed to support the police and civil defense corps; and supplies are needed to support schools.

**U.S. Agency for International Development (USAID)**

The early role of the U.S. Agency for International Development (USAID) in Iraq was to restore critical infrastructure, support essential health and education services, expand economic opportunity, and improve efficiency and accountability of government. Specific sectors of interest include education, health care, food security, infrastructure reconstruction, airport and seaport management, economic growth, community

development, local governance, and transition initiatives. Many of these contracts are now complete or nearing completion. However new USAID contracts in the areas of electoral processes and education, government transition, civil society, employment services, health, and education have been announced but not yet tendered.

The USAID Iraq website (<http://www.usaid.gov/iraq/>) includes information about contract solicitations and awards. USAID press releases and Weekly Reports contain valuable insight on potential business opportunities.

On January 6, 2004, USAID awarded a new \$1.8 billion Iraq infrastructure contract to Bechtel and Parsons Corporation to fund work similar to Bechtel's current Capital Construction contract. The new Iraq Infrastructure II contract will fund additional repair of power generation facilities, electrical grids, municipal water/sewage systems, airport facilities, the Umm Qasr seaport, essential transport links, government and public facilities including schools, selected ministry buildings, and major irrigation structures. The new contract is described in a USAID Press Release (<http://www.usaid.gov/press/releases/2004/pr040106.html>).

### **U.S. Army Corps of Engineers**

U.S. Defense Department reconstruction contracts are issued by the U.S. Army Corps of Engineers (USACE). Their primary mission is to restore the capability for oil production, oil refining and gas processing to pre-war conditions. The USACE website (<http://www.hq.usace.army.mil/cepa/iraq/iraq.htm>) offers information on their operations in Iraq, and contracting opportunities.

On January 16, USACE awarded two contracts worth nearly \$2 billion to continue restoring Iraq's oil infrastructure to pre-war production levels. A north-region contract was awarded to a partnership between Parsons of Houston, Texas and Worley of Australia, and a south-region contract went to Kellogg Brown and Root of Arlington, VA. The contracts were awarded on a fully open and competitive basis and replace the non-compete KBR contract awarded immediately after cessation of major conflict to address emergencies. The new contracts are funded by the \$18.6 billion appropriation and will help restore Iraqi oil production, oil refining, gas processing, and distribution.

On March 19, USACE's Transatlantic Programs Center awarded a construction contract to Stanley Baker Hill, LLC, of Muscatine, Iowa, to provide construction management services (<http://www.hq.usace.army.mil/cepa/releases/constmgmt.htm>). The contract will be used by the Coalition Provisional Authority Program Management Office for oversight and miscellaneous engineering services in support of construction at various locations and installations in Iraq.

For information regarding U.S. Department of Defense procurement related to the reconstruction of Iraq, see their Iraq procurement site at <http://www.acq.osd.mil/dpap/iraqreconstruction/iraqcontractinfo.htm>. The DOD issues weekly reports on the status of several key areas in Iraq such as essential services,

power production and security. These can be found at [www.export.gov/iraq](http://www.export.gov/iraq) in the “Key Docs” sidebar.

### **Iraqi Ministry Contracts**

Some Iraqi Ministries are tendering their own contracts through the Iraqi Government budget (<http://www.iraqcoalition.org/budget/>). These tenders can sometimes be found on Iraqi Ministry websites listed in the final section of this guide. Sometimes these tenders are announced in Iraqi newspapers, which can be found at <http://www.onlinenewspapers.com/iraq.htm>.

Iraqi Ministry tenders cover a wide-range of activities from oil-field development and instrument control systems to medical supplies and construction. Please be aware of CPA Order #87, which currently governs all Iraqi public contracts. Following Iraqi sovereignty and as time goes on, these types of tenders will be increasingly important to Iraqi reconstruction.

### **International Donors**

A meeting of donors to raise funds for rebuilding Iraq took place in Madrid, Spain on October 23-24, 2003. The World Bank and the UN presented their needs-assessments for Iraq to the conference, including the areas of health, education, agriculture, water supply and sanitation, economic management, and investment climate. The assessments and cost estimates can be found at [www.worldbank.org/iq](http://www.worldbank.org/iq). These assessments are expected to guide the priorities and direction of Iraq reconstruction by donor countries.

In addition to U.S. contributions, 73 countries and 20 international organizations participating in the Donor’s Conference pledged over \$13 billion in loans and grants, including: \$5 billion from Japan, \$1.44 billion from members of the European Union, \$200 million from South Korea, over \$150 million from Canada; and between \$3 and \$5 billion in loans from the World Bank and between \$2.5 and \$4.25 billion in loans from the International Monetary Fund. Countries can choose to channel their funding through a trust fund facility to be managed by the World Bank and the UN. Information on these potential tenders can be found at [www.ungm.org](http://www.ungm.org). (The United States administers its contributions through the CPA Program Management Office.)

### **Finding Partners and Subcontracting Opportunities**

The best way to ensure consideration as subcontractors or suppliers on reconstruction contracts is to directly contact the prime contractors, who are entirely responsible for choosing their own business partners. Small businesses can contact prime contractor representatives listed at [http://www.export.gov/iraq/pdf/small\\_business\\_reps.pdf](http://www.export.gov/iraq/pdf/small_business_reps.pdf).

Companies from all countries are eligible for subcontracts with the exception of countries that support terrorist networks. In general, all contractors should demonstrate experience, financial capability, high competency of in-country personnel, the ability to positively impact the Iraq economy through capacity-generation and employment, and

the capability to proceed quickly. Prime contractors and subcontractors are expected to partner with Iraqi firms at every opportunity.

Both the CPA and PMO have provided essential advice for getting involved in Iraq reconstruction. Please see [http://www.iraqcoalition.org/business/Contracting\\_FAQs.htm](http://www.iraqcoalition.org/business/Contracting_FAQs.htm) and [http://www.rebuilding-iraq.net/portal/page?\\_pageid=33,34475&\\_dad=portal&\\_schema=PORTAL](http://www.rebuilding-iraq.net/portal/page?_pageid=33,34475&_dad=portal&_schema=PORTAL).

The Iraqi Business Center (IBC) provides two databases of Iraqi companies from which U.S. and other foreign companies can find potential partners: one from its own website (<http://www.iraqibusinesscenter.org/>), and the other from the IBC Guide website (<http://www.ibcguide.org/>). Organizations vetting Iraqi companies can be found at <http://www.export.gov/iraq/pdf/vetting.pdf>.

### **Other Contracting Issues**

All contractors and subcontractors who are receiving U.S. government funding, regardless of nationality, are required to provide to provide their employees with workers compensation insurance. This is provided through Defense Base Act coverage. More information can found at [http://www.export.gov/iraq/bus\\_climate/dba.html](http://www.export.gov/iraq/bus_climate/dba.html).

## **III. COMMERCIAL ENVIRONMENT**

The section below outlines the current commercial environment in Iraq. All referenced CPA Orders can be found at [www.iraqcoalition.org](http://www.iraqcoalition.org).

### **Sanctions**

While most United Nations and U.S. economic sanctions against Iraq were lifted in May 2003, the Iraqi legal and regulatory system as well as an inadequate infrastructure and an unstable security situation pose numerous obstacles to doing business in Iraq. (The legal structure, as it existed at the end of the Hussein regime, is described in detail in the Commerce Department's "Overview of Commercial Law in Iraq", available at [http://www.export.gov/iraq/pdf/iraq\\_commercial\\_law\\_current.pdf](http://www.export.gov/iraq/pdf/iraq_commercial_law_current.pdf).)

United States export licensing requirement for products entering Iraq can be found in the Frequently Asked Questions document ([http://www.export.gov/iraq/bus\\_climate/faq.html](http://www.export.gov/iraq/bus_climate/faq.html)).

### **Security**

While sanctions as an issue have largely been removed, security continues to be the number one concern of the CPA, Iraqis and interested businesses. The security situation in Iraq remains serious. Theft and violent crime persist in Iraq, and the potential for attacks against U.S. citizens and facilities remains high. Roads and other public areas can be dangerous for conspicuous foreign travelers. Law enforcement is limited, although Iraqi police units continue to emerge under the supervision of Coalition Forces. The U.S. Department of State issues up-to-date travel warnings for countries

throughout the world, and U.S. companies and visitors are advised to carefully assess the situation in Iraq.

Both the Department of Commerce's Frequently Asked Questions on Iraq ([http://www.export.gov/iraq/bus\\_climate/faq.html](http://www.export.gov/iraq/bus_climate/faq.html)) and the State Department's Iraq Travel Warning ([travel.state.gov/iraq\\_warning.html](http://travel.state.gov/iraq_warning.html)) and Consular Information Sheet ([travel.state.gov/iraq.html](http://travel.state.gov/iraq.html)) contain the essential security and safety information on travel to Iraq.

### **The Iraqi Government**

Soon after the removal of Hussein's regime, Coalition Forces established the Coalition Provisional Authority (CPA) as a transitional administration to restore security in Iraq, create institutions for representative governance, and facilitate economic recovery.

In July 2003, the CPA established the Governing Council of Iraq. With broad membership from across Iraqi society, its 24 members named Iraqi Ministers, established budgets, and represent Iraq internationally. On March 8, 2004, the Governing Council established the Transitional Administrative Law, which will serve as the supreme law of Iraq during the forthcoming Transitional Period, which will consist of two phases. The first phase will begin on June 30, 2004 when an Iraqi Interim Government

([http://www.iraqcoalition.org/pressreleases/20040602\\_government\\_list.html](http://www.iraqcoalition.org/pressreleases/20040602_government_list.html)) will be vested with full sovereignty and the CPA will dissolve. As of May 21, 2004, already 13 of 26 Ministries have been transferred to Iraqi sovereignty. The second phase of the Transitional Period will begin with elections for a National Assembly to take place no later than January 31, 2005, from which will be formed an Iraqi Transitional Government which shall govern until the formation of an Iraqi government pursuant to a permanent constitution. The full text of the Transitional Administrative Law can be found on the CPA's webpage at [www.iraqcoalition.org/government/TAL.html](http://www.iraqcoalition.org/government/TAL.html).

Both the CPA and the Iraqi Ministries have successfully acted to ensure that a free and sovereign Iraq is able to function in the community of nations. The CPA released its fiscal 2004 budget in October 2003, available at [www.iraqcoalition.org/budget](http://www.iraqcoalition.org/budget). CPA Order #77 has also created the Board of Supreme Audit in order to ensure ongoing Iraqi Government transparency.

In addition, as of January 15, 2004, Iraq's currency was successfully transitioned to the new Iraqi Dinar ([http://www.iraqcoalition.org/pressreleases/20040115\\_exchange\\_end.htm](http://www.iraqcoalition.org/pressreleases/20040115_exchange_end.htm)). By all accounts, the Iraqis have wholeheartedly embraced their new dinars. Not only are the new notes much more difficult to counterfeit -- a chronic problem under the old currency regime -- the Iraqis now have six denominations available, up from only two. The value of the currency has steadily appreciated since its introduction with a settlement price of around 1,465 dinars per dollar.



Also, on February 11, 2004, members of the World Trade Organization approved Iraq's request for observer status

([http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/org6\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm)). WTO observer status indicates the international community's confidence in Iraq and it sends a positive message of transparency and predictability to the business community.

A further indication of Iraq's commitment to the global trading community is the recent change to intellectual property laws. The United States and Iraq currently provide access to each other's patent and trademark laws and application procedures under the terms of the Paris Convention for the Protection of Industrial Property. However, U.S. copyright owners have no access to Iraqi copyright protection, as the United States and Iraq are not members of any of the same copyright treaties. CPA Orders #80, #81, and #83 provide amendments to the current Iraqi intellectual property regime.

### **Exporting/Trade**

Under the former Hussein regime, all trade with Iraq was subject to government licensing. Under CPA Orders # 12, 38, 47, 54, and 70, all tariffs, duties and fees for goods entering or leaving Iraq were suspended through April 15, 2004. The same orders prohibit several exports from Iraq, including many foods products and machinery parts. (Manifests are checked for contraband goods.) A list of these products can be found in CPA Order #54. April 15, 2004, saw the beginning of a five percent Reconstruction Levy on all goods shipped to Iraq. Exemptions from this import duty include food, medicine, clothing, humanitarian assistance, and UN Oil-For-Food program imports. Products for the CPA, Coalition Forces, and reconstruction contractors are also exempt. Order #38 contains the full list of exemptions. Additional information can be found at the Iraqi Ministry of Trade website, [www.motiraq.org/](http://www.motiraq.org/).

Already, under the Ministry of Trade Reconstruction Levy of 5%, Iraq has collected over \$2.7 million in duty. This implies that over \$54 million in imports have entered Iraq since April 15, 2004, outside of reconstruction goods and services.

Additional CPA orders also address border and customs procedures as well as authorizations for Iraqis to establish direct relationships with foreign trading agencies and companies, formerly prohibited under the old regime.

### **Investment and Company Registration**

Under the Hussein regime, foreign investment in Iraq was restricted by statute to resident citizens of Arab countries. CPA Order #39, issued and effective on September 19, 2003, has significantly altered the international business environment in Iraq by permitting 100 percent foreign ownership and management of Iraqi business entities except in natural resources sectors, including oil, and with respect to banks and insurance companies. The Order provides for equal treatment of foreign investors, foreign trade offices and branch registration, methods of investment, and dispute settlement. On February 25, 2003, the Ministry of Trade issued revised instructions and an application form implementing the streamlined registration process for branches and trade representation offices of foreign companies under Order No. 39. These revised



instructions also indicate that the Ministry considers the previous special requirements for commercial agents of foreign companies nullified by Order No. 39. The same order also introduces a new requirement for foreign investors involved in retail sales: a \$100,000 deposit in an Iraqi bank for the duration of the retail activity.

CPA Order #39 also officially permits foreign investors to hold long-term leases of real property for up to 40 years, but not ownership. At the present time, foreign companies should proceed very cautiously before committing to any long-term lease.

An open investment regime necessitates the capability to legally create and run companies under Iraqi law. The CPA with the concurrence of the Iraqi Governing Council issued Order No. 64 on March 3, 2003, which significantly amends Iraqi Company Law No. 21 of 1997. Among other things, the amendments allow any Iraqi or foreign person or legal entity to establish or own an interest in a company in Iraq. The amendments also require the Registrar in the Iraqi Ministry of Trade to either approve or disapprove in writing within 10 days any application to register a new company. These new regulations and the appropriate application forms can be found at [http://www.export.gov/iraq/bus\\_climate/foreign\\_reg\\_guide.html](http://www.export.gov/iraq/bus_climate/foreign_reg_guide.html).

For those interested in portfolio investment in Iraq, CPA Order #74 provides an interim law on securities markets and creates the Iraq Stock Exchange. Renovations of the stock exchange site are complete while employee training and hiring is presently underway.

Taxes are also essential to a fully functional sovereign government. CPA Order #37, issued on September 19, 2003, addresses taxation within Iraq. Income tax and property rental taxes were suspended through the end of 2003 along with all other taxes not continued by the Order. Taxes identified to continue in force include the hotel and restaurant tax, the property sales tax, and the car sale fee and petrol excise duties. The CPA, Coalition Forces, and reconstruction contractors are exempt from these taxes.

Under CPA Order No. 49 of February 20, 2004, corporate and personal income taxes will be reintroduced at significantly reduced rates of no more than 15 percent. Please see CPA Orders #37, #49, and #84 for a full discussion of the current taxes and their functions.

Beginning May 1, 2004, all employers including foreign employers of Iraqi workers may have to withhold tax from the salary paid to their Iraqi employees. Information and forms related to this requirement will be found soon at [www.iraqcoalition.org/taxes/](http://www.iraqcoalition.org/taxes/).

Insurance is a necessary part of international investment. Currently, many insurance companies will not cover non-reconstruction business activities in Iraq. Although there are some private sector firms providing insurance for projects in Iraq, when it is offered, premiums can be very high. The Overseas Private Investment Corporation (OPIC) currently offers three kinds of political risk insurance for Iraqi projects: currency inconvertibility, expropriation, and political violence. In addition, OPIC is also offering coverage more appropriate to contractors, exporters and those providing technical

assistance and management services in Iraq. Finally, OPIC offers stand-alone terrorism coverage.

### **Banking and Finance**

Trade finance and short-term credit was recognized early as essential to the growth of trade in Iraq. The CPA established the Trade Bank of Iraq (TBI) as a separate Iraq government entity and export credit agency to facilitate the import and export of goods and services to and from Iraq.

(<http://www.iraqcoalition.org/regulations/CPAORD20TradeBank-17July03.pdf>) The TBI provides expertise and a point of contact within Iraq to bolster confidence between trading partners that funds will be received in exchange for goods delivered. The TBI will work with Iraqi commercial banks and the Operating Consortium, led by J.P. Morgan Chase with the participation of 15 countries. The Trade Bank of Iraq has issued \$789 million on 206 letters of credit to international suppliers in order for ministries to import essential goods and equipment. The TBI is discussed in detail in CPA Order #20.

In November 2003, the U.S. Export Import Bank (Ex-Im) Bank approved a \$500 million short-term insurance facility for the TBI. Under this facility, Ex-Im Bank insures short-term letters of credit issued by, or on behalf of, TBI in respect of purchases of U.S. goods and services. Ex-Im Bank, TBI, and the CPA entered into a Framework Agreement regarding the facility, which served as a model for similar arrangements with the Overseas Private Investment Corporation (OPIC) and 15 other export credit agencies. This facility approved its first transaction under this program on April 28, 2004. Ex-Im is insuring the \$15 million export sale of fogging machines and accessories for insect abatement manufactured by Tifa Ltd. To the Iraqi Ministry of Health.

While Ex-Im is still closed to routine trade finance transactions with respect to Iraq, it will consider applications for exports to Iraq that involve buyers or letters of credit from banks located in third countries. Ex-Im (<http://www.exim.gov/>) is also accepting applications under its Working Capital Guarantee Program for subcontractors providing goods and services to Iraq under U.S. Government reconstruction contracts.

OPIC (<http://www.opic.gov/>) provides funding through direct loans and loan guarantees to ventures involving significant equity and/or management participation by U.S. businesses, at least 25% equity interest. See OPIC's finance page (<http://www.opic.gov/finance/>).

Other international organizations are providing micro-credit throughout Iraq. ACDI/VOCA ([www.acdivoca.org/](http://www.acdivoca.org/)) has provided 415 loans worth \$1,184,296 while CHF ([www.chfhq.org/](http://www.chfhq.org/)) had disbursed 2,002 loans worth \$3,806,758.

Outside of international financial organizations, Iraq's domestic financial and banking structure is also developing. On October 28, 2003, the Central Bank of Iraq authorized Iraq's private banks to process international payments, remittances, and foreign currency letters of credits. A list of participating Iraqi banks, with points of contact, is

available from the CPA website at  
[http://iraqcoalition.org/economy/iraq\\_private\\_banks.html](http://iraqcoalition.org/economy/iraq_private_banks.html).

Following a request for applications issued in November, Iraq received fifteen applications for a foreign bank license. On January 31, 2004 the Central Bank Governor announced the three finalists for the first set of licenses to be awarded -- Hong Kong Shanghai Banking Corporation, the National Bank of Kuwait, and Standard Chartered Bank from the U. K. The Central Bank anticipates that all three will be granted a license by mid-March. Already, the National Bank of Kuwait has announced its intent to purchase 8 percent of one of the existing private banks.

On January 31, 2004, the Central Bank of Iraq (CBI) announced that on March 1, 2004, it would fully liberalize interest rates on deposits, loans, credits, securities, and all other domestic financial instruments. The CBI previously set these rates. CPA has yet to announce that this transition has occurred. The CBI currently sets these rates. This represents a major step in the development of Iraq's financial system. The decision to liberalize interest rates will facilitate the modernization and development of Iraq's financial system based on market principles.

On March 6, 2004, the CPA issued Order No. 56 promulgating a new Central Bank of Iraq law. The new CBI law establishes a central bank authorized to perform certain monetary functions, manage foreign reserves, act as the government's banker and fiscal agent, issue currency, establish and maintain systems for clearing and settlement of payment transactions, and supervise private banks.

The International Finance Corporation, the private sector arm of the World Bank, approved plans to establish an Iraq Small Business Finance Facility of up to \$170 million to help Iraqi banks finance small business. More information can be found in its December 19, 2003 press release at [www.ifc.org](http://www.ifc.org). The IFC is currently working with private contractors and other international bodies to set-up this program.

CPA has sent out a draft of the proposed changes to the bankruptcy law for interagency coordination in Washington, as well as coordination with London, Canberra, the International Monetary Fund (IMF), and the World Bank.

Iraq's large international debt of over \$116 billion could negatively affect economic growth and future funding of reconstruction by international lenders. President Bush appointed former Secretary of State James Baker to negotiate debt reduction with countries and entities that provided loans to Iraq under Hussein's regime.

### **Business Centers and Investment Opportunities**

The CPA and the Iraqi Ministry of Trade established the Iraqi Business Center in Baghdad to provide business services to a growing and eager Iraqi business community. To further assist local companies in identifying Coalition reconstruction and Iraqi public sector opportunities, and establish partnerships with foreign companies, its website provides extensive listings of Iraqi Ministry and Coalition tenders

([www.iraqibusinesscenter.org/](http://www.iraqibusinesscenter.org/)). The Business Center also maintains a database of Iraqi companies interested in international partners at [www.ibcguide.org](http://www.ibcguide.org).

The City of Kirkuk, located in the heart of the northern oil industry, formed a robust Kirkuk Business Center that publishes highly informative newsletters ([www.kirkuk-business-center.org](http://www.kirkuk-business-center.org)). Basra also has a business center which can be reached at 964-0780-109-6729 or through their website at [www.basrabusinesscentre.com/](http://www.basrabusinesscentre.com/). A potential Basra investment conference is discussed at [www.invest-iraq.org/](http://www.invest-iraq.org/).

Long-term investment opportunities may exist with the Iraqi State-Owned Enterprises (SOEs). For more information, contact Mark Huang at [huangm@orha.centcom.mil](mailto:huangm@orha.centcom.mil) and see the SOE company profiles at [www.iraqcoalition.org/business/industries/index.html](http://www.iraqcoalition.org/business/industries/index.html).

## IV. CRITICAL CONTACTS FOR BUSINESS

### *Contract Resources*

Coalition Provisional Authority

[www.iraqcoalition.org/](http://www.iraqcoalition.org/)

CPA Program Management Office

[www.rebuilding-iraq.net/](http://www.rebuilding-iraq.net/)

Iraqi Business Centers

[www.iraqibusinesscenter.org/](http://www.iraqibusinesscenter.org/)

<http://kirkuk-business-center.org/>

[www.basrabusinesscentre.com/](http://www.basrabusinesscentre.com/)

[www.invest-iraq.org/](http://www.invest-iraq.org/)

U.S. Department of Commerce

Iraq Reconstruction Task Force

Tel: 1-866-352-4727

Fax: (202) 482-0980

E-mail: [IraqInfo@mail.doc.gov](mailto:IraqInfo@mail.doc.gov)

[www.export.gov/iraq](http://www.export.gov/iraq)

U.S. Agency for International Development

[www.usaid.gov/iraq/activities.html](http://www.usaid.gov/iraq/activities.html) - for USAID Iraq opportunities

U.S. Army Corps of Engineers

Tel: 1-866-461-5171, the Defense Department Iraq contract hotline

[www.hq.usace.army.mil/cepa/iraq/contracts.htm](http://www.hq.usace.army.mil/cepa/iraq/contracts.htm) - for USACE Iraq opportunities

[www.hq.usace.army.mil/cepa/iraq/faq.htm](http://www.hq.usace.army.mil/cepa/iraq/faq.htm) - for USACE Iraq contract FAQ

United Nations Iraq Programs

[www.devbusiness.com](http://www.devbusiness.com)

[www.iapso.org](http://www.iapso.org)

[www.iq.undp.org](http://www.iq.undp.org)

[www.ungm.org](http://www.ungm.org)

United Nations

Office of the Iraq Oil-for-Food Program

[www.un.org/Depts/oip/](http://www.un.org/Depts/oip/)

Oil-for-Food Contract Inquiries

Office of Peacekeeping and Humanitarian Operations

U.S. Department of State

(202) 736-7733

*Government Resources*

U.S. Foreign Commercial Service  
American Embassy, Kuwait  
Tel: 965-539-5307/8, Ext. 2392  
Fax: 965-538-0281  
E-mail: [Kuwait.City.Office.Box@mail.doc.gov](mailto:Kuwait.City.Office.Box@mail.doc.gov)  
[www.buyusa.gov/kuwait/en/](http://www.buyusa.gov/kuwait/en/)

U.S. Foreign Commercial Service  
American Embassy, Amman, Jordan  
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U.S. Department of State  
Office of Commercial and Business Affairs  
[www.state.gov/e/eb/cba/iraq](http://www.state.gov/e/eb/cba/iraq)

U.S. Department of State  
Travel Warning and Updated Security Information for Iraq  
[travel.state.gov/iraq.html](http://travel.state.gov/iraq.html)

U.S. Department of State International Police Recruiting Program  
[www.state.gov/q/inl](http://www.state.gov/q/inl)

U.S. Department of Treasury  
Office of Foreign Assets Control  
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[www.treas.gov/offices/enforcement/ofac/](http://www.treas.gov/offices/enforcement/ofac/)



U.S. Department of State, Defense Trade Controls  
[www.pmdtc.org](http://www.pmdtc.org)

U.S. Central Command  
[www.centcom.mil/](http://www.centcom.mil/)